Case 2	2 12-cv-08964-GW-JEM Document 1, Filed,	10/17/12 Page 1 of 27 Page ID #:1065						
1 2 3 4 5 6 7 8	KARIN G. PAGNANELLI (SBN 174763 kgp@msk.com MARC E. MAYER (SBN 190969) mem@msk.com ALEXA L. LEWIS (SBN 235867) all@msk.com MITCHELL SILBERBERG & KNUPP I 11377 West Olympic Boulevard Los Angeles, California 90064-1683 Telephone: (310) 312-2000 Facsimile: (310) 312-3100  Attorneys for Plaintiff ACTIVISION PUBLISHING, INC.	CLEAR I						
9	UNITED STATES DISTRICT COURT							
10	CENTRAL DISTRICT OF CALIFORNIA							
11	A COUNTY OF THE PARTY OF THE PA	Market Country						
12	ACTIVISION PUBLISHING, INC., a Delaware Corporation,	CASE NC V 12 - 8964 - SVW						
13	Plaintiff,	COMPLAINT FOR:						
14	v.	(1) INFRINGEMENT OF FEDERALLY REGISTERED MARK						
15	ACTIVISION TV, INC, a Delaware	[15 U.S.C. § 1114];						
16	Corporation; AD MEDIA DISPLAYS, INC., a Wyoming Corporation; DAVID GOTHARD, an individual,	(2) FALSE DESIGNATION OF ORIGIN [15 U.S.C. § 1125(a)];						
17		(3) DILUTION [15 U.S.C. § 1125(c)];						
18	Defendants.	(4) UNFAIR COMPETITION						
19		[Common Law and Cal. Bus. & Prof. Code § 17200];						
20		(5) CANCELLATION OF TRADEMARK REGISTRATION [15 U.S.C. §§ 1064 and 1119];						
21		U.S.C. §§ 1064 and 1119];						
22		(6) DECLARATORY RELIEF [28 U.S.C. § 2201]						
23		DEMAND FOR JURY TRIAL						
24		DEMINIDION OUR TRIAL						
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Plaintiff Activision Publishing, Inc. ("Activision" or "Plaintiff"), for its Complaint against Defendants Activision TV, Inc., Ad Media Displays, Inc., and David Gothard ("Defendants"), states and alleges as follows:

## **NATURE OF THE ACTION**

- 1. This is an action for trademark infringement, false designation of origin, dilution, and cancellation under the Lanham Trademark Act, for unfair competition under California law, and for declaratory relief. At issue in this action is the blatant and willful appropriation of one of Activision's most valuable assets the famous ACTIVISION name by a start-up company in the business of providing interactive computer and television services (including video games) to members of the public.
- 2. Activision is one of the world's leading makers of interactive entertainment products. For more than 30 years, since 1979, Activision has developed, produced, marketed, distributed, and licensed hundreds of video and computer game products under the ACTIVISION mark. Activision's products have been created for dozens of varieties of personal computer and home entertainment consoles, and include some of the most popular games ever released, such as the Guitar Hero® and Call of Duty® series of games. Based on Activision's lengthy, continuous and uninterrupted use of the ACTIVISION mark, ACTIVISION has become synonymous with Activision and its high-quality entertainment products, and has become famous in the United States (and around the world).
- 3. Defendants are an individual (David Gothard) and two affiliated companies owned or controlled by Gothard. With full knowledge of Activision and its trademark rights in the ACTIVISION mark, Gothard and his companies have marketed, advertised, and purported to offer for sale or lease interactive

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- Defendants' use of the Activision name for their products and services is deliberate and intentional. For example, Defendants and their representatives have discussed at length ways to "capitalize" on their use of the Activision name and the brand recognition that the name afforded to them. They have used internet keywords and metatags designed to attract customers seeking Activision's products. They have advertised the use of their system to play games such as World of Warcraft® (a game produced and distributed by Activision's affiliate, Blizzard Entertainment, Inc.). Defendants even have suggested that the use of the Activision name might assist in obtaining an exploiting a licensing deal with Activision to offer its games via Defendants' system. And, they now intend to place the "ActivisionTV" name directly on television screens from which members of the public may purchase entertainment products and services. Defendants apparently hope and intend that through their use of the ACTIVISION name and mark consumers will mistakenly believe that the goods and services they are purchasing from Defendants are in some manner associated with Activision and its high-quality products.
- 5. Through their conduct, Defendants have willfully created circumstances whereby members of the public and members of the relevant trade are likely to be led to incorrectly believe that Defendants and their goods and services are authorized by, sponsored by, or affiliated with Activision, its well-known marks, and the products provided thereunder. This conduct must come to

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an end, and Activision must be compensated for the injury to its trademark and reputation from Defendants' actions. **JURISDICTION AND VENUE** 6. This is an action arising in part under the Lanham Act, 15 U.S.C. § 1051, et seq. and under California statutory and common law. This Court has subject matter jurisdiction over this matter pursuant to 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331 and 1338(a) and (b) in that it involves an action arising under the Lanham Act. This Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367. Defendants are subject to personal jurisdiction in the state of 8. California because the unlawful conduct complained of herein causes injury in this judicial district, because Defendants have directed their activities at Activision and its trademarks, and Defendants transact business and offer their products for sale in this judicial district. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) in that a substantial part of the events giving rise to this Complaint occurred in this judicial district. **PARTIES** Activision is a corporation organized and existing under the laws of 10. the State of Delaware, having its principal place of business in Santa Monica, California. Activision is informed and believes, and on that basis avers, that

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Defendant Activision TV, Inc. is a corporation organized and existing under the

laws of the State of Delaware, having its principal place of business in Naples,

Florida, with additional offices in Las Vegas, Nevada and Honolulu, Hawaii; that

12. Activision is informed and believes, and on that basis avers, that, at all times mentioned in this Complaint, each Defendant was the agent, alter ego, or representative of the other and, in doing the things averred in this Complaint, was acting within the course and scope of such agency.

# **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

#### Activision and its Famous ACTIVISION Mark

- 13. Activision is one of the world's leading developers and publishers of interactive entertainment products, including video and computer games and related products. Activision finances, produces, creates, markets, distributes, licenses, and otherwise exploits its massive catalogue of interactive entertainment products. Activision is currently the largest video game publisher in the world. Activision also is among the world's first commercial video game developers, having been founded in 1979, just as video game consoles and personal computers were becoming available to the mass market.
- 14. Activision has developed, published and distributed hundreds of video game products for dozens of video game systems. Activision's catalog includes some of the best-known and most popular video games ever created. Activision's catalog ranges from classic 1980's cartridge games such as "Pitfall," and "Kaboom!," to contemporary blockbuster franchises such as the Guitar Hero® and Call of Duty® series of games. Activision's Call of Duty® series of games is the highest-grossing video game series in history, selling tens of millions of copies worldwide. Activision distributes its game products through a variety of channels, including on CDs or DVDs via "brick-and-mortar" and web retail stores, and by

Mitchell Silberberg & 28 Knupp LLP digital download via online services such as Xbox Live, the PlayStation Network, and Valve's Steam service. Activision also licenses its games to video game rental services such as Blockbuster and Gamefly, who charge a per-day or per-week fee to customers for the use of Activision games.

- 15. Activision's catalog of games includes games for virtually every game-playing system ever developed. This includes console systems such as the Xbox, PlayStation, Nintendo, and Sega systems, portable handheld game systems such as the Gameboy and Nintendo DS, and personal computers ranging from early Atari and Apple 8-bit systems to current Windows PC systems. Additionally, for nearly 20 years, Activision's games have been playable online over the Internet, using computer servers to connect players to each other for cooperative or competitive online play.
- 16. For more than 30 years, Activision has consistently, and without interruption, used in commerce the word mark ACTIVISION and a related ACTIVISION logo (collectively, the "ACTIVISION Marks") in connection with its interactive entertainment and related products. The ACTIVISION logo (depicted below) is comprised of the word ACTIVISION, with the letters T and V drawn in a larger font and connected to each other. Thus, the ACTIVISION logo in fact forms two words: ACTIVISION and TV, a nod to the fact that Activision games traditionally were played by consumers on their television sets.

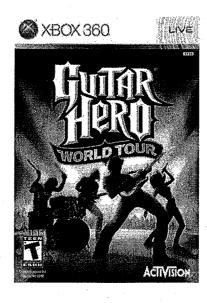
# **ACTIVISION**®

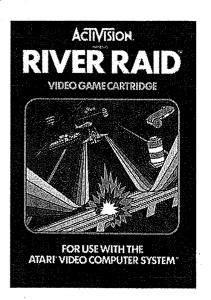
17. The ACTIVISION Marks have been prominently displayed on Activision video game products since 1980, including on the front and back covers of the physical product, on the game's instruction manual, on a loading or "splash"

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screen displayed when the game is launched, and in some instances within the game itself. The below examples illustrate the manner in which the ACTIVISION Marks are used on the front box cover of popular video game titles.

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- 18. In addition to the foregoing, Activision licenses the ACTIVISION Marks for use on a variety of merchandise, including clothing, hats, video game consoles, computer hardware peripherals, posters, and books. Activision also has licensed the ACTIVISION Marks and Activision video game products for use in arcade cabinets and kiosks.
- 19. Activision has invested millions of dollars and enormous time, effort, and resources developing and promoting its ACTIVISION Marks. As a result, ACTIVISION has become known throughout the United States and the world by consumers, purchasers and members of the public as signifying interactive entertainment and related products originating from Activision. Activision has acquired a valuable reputation and goodwill among the public as a result of such association. Indeed, the ACTIVISION Marks have become among the most valuable and well-recognized marks in the world, and are famous in the United States.

1	20. In addition to its common law trademarks in the ACTIVISION Marks,					
2	Activision is the owner of no fewer than five U.S. registrations in the U.S. Patent					
3	and Trademark Office ("PTO") for the ACTIVISION Marks, including					
4	Registration Numbers 1,183,958; 1,207,377; 1,350,487; 2,903,474; and 3,398,311.					
5	Among the goods and services included within Activision's registrations for the					
6	ACTIVISION Marks are video game cartridges, computer programs and					
7	instruction manuals, entertainment software production services, downloadable					
8	computer game and entertainment software, game strategy guides, and clothing.					
9	Certain of these registrations have been deemed incontestable pursuant to 15					
10	U.S.C. § 1065.					
11	21. The ACTIVISION Marks are among Activision's most valuable					
12	assets, and have developed an enormous amount of goodwill among consumers					
13	and members of the public. Activision regularly takes steps to protect its valuable					
14	ACTIVISION Marks and enforce its rights against those who seek to trade off the					
15	goodwill associated with these Marks.					
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17	Defendants' Fraudulent "Activision" Registration					
18	22. Defendants ActivisionTV, Inc., Activision Systems, Inc., and Ad					
19	Media Displays, Inc. are a group of affiliated companies that all are owned and					
20	controlled by Defendant David Gothard. Gothard is a Florida-based					
21	"entrepreneur" who claims to have developed certain technology involving digital					
22	video displays.					
23	23. In or about 1999, Gothard and his company Ad Media Displays, Inc.,					

purported to register, on an "intent to use" basis, a U.S. trademark for the word ACTIVISION in connection with "illuminated advertising and display signs" (International Class 9) and "promoting the goods and services of others by creating and displaying display signs" (International Class 35). Gothard and Ad Media

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- Displays did so with full knowledge of Activision and its ACTIVISION Marks, and with the intent of profiting from Activision's goodwill by attempting to secure a trademark registration for a category of goods that had not yet been registered by Activision. For the next 6 years, Gothard and Ad Media Displays made no effort to demonstrate to the PTO their purported "use" of the ACTIVISION mark.
- 24. Activision is informed and believes, and on that basis avers, that contrary to the representations of Gothard and Ad Media Displays to the U.S. Patent and Trademark Office, Gothard and Ad Media Displays did not in fact have a bona fide intent to use the Activision mark in connection with the categories of goods and services for which they sought registration. Rather, the 1999 registration was a ploy to improperly seize the ACTIVISION name for a variety of future ventures for which the use of that name would give the company a marketing advantage.
- 25. In or about 2005, after receiving a Notice of Abandonment from the United States Patent and Trademark Office, Gothard and Ad Media Displays submitted a purported "Statement of Use," attesting under oath that they had used the term ACTIVISION in Class 9. Gothard and Ad Media Displays submitted as a purported "specimen" with their Statement of Use a brochure depicting a television set with the word "Activision Systems" at the bottom.
- 26. Gothard and Ad Media Displays attested under oath that the statements made in the Statement of Use were true and that the mark "is now in use in commerce," under penalty of fine or imprisonment. Nevertheless, Activision is informed and believes, and on that basis avers, that in fact the "Statement of Use" and the included specimen were false and fraudulent. Specifically, no such television set ever existed or ever was sold to the public. Moreover, Gothard and Ad Media Displays never used the word "Activision" in connection with any purported "illuminated advertising and display signs" or

- "promoting the goods and services of others by creating and displaying display signs." Additionally, Activision is informed and believes, and on that basis avers, that Gothard and Ad Media Displays never submitted a corresponding "Statement of Use" for any goods or services in Class 35.
- 27. Activision is informed and believes, and on that basis avers, that Gothard and Ad Media Displays knew that they had never used the ACTIVISION mark in commerce in connection with any goods or services, including illuminated advertising and display signs, and also knew that the brochures submitted as specimens did not depict an actual product available on the market. Activision is informed and believes, and on that basis avers, that the representations made by Gothard and Ad Media Displays in the Statement of Use were made falsely, with the intent to deceive the Patent and Trademark Office and to obtain a registration that they knew that were not entitled to.
- 28. As a result of the false and misleading representations made by Gothard and Ad Media Displays in their Statement of Use, and notwithstanding Defendants' failure to show any actual use of the Activision mark in connection with any goods or services or to file a Statement of Use in Class 35, on March 15, 2005, the U.S. Patent and Trademark Office registered a trademark in the mark ACTIVISION in the name of Ad Media Displays, Inc. in Classes 9 and 35 (Reg. No. 2,933,439, or the "Registration").

# Defendants' Infringing Use Of The "Activision" and "ActivisionTV" Marks

29. In or about 2006, shortly after obtaining the Registration, Gothard incorporated in the State of Delaware a new corporation, ActivisionTV, Inc. ("ATV"). Immediately thereafter, Gothard caused Ad Media Displays to assign all of its intellectual property rights, including its ACTIVISION trademark registration, to ATV. Thereafter, Ad Media Displays became inactive and is no

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longer registered to transact business in Florida. At the time, Ad Media Displays was not selling or distributing any products or services using the ACTIVISION mark.

- 30. In or about 2007, Gothard, now operating as ActivisionTV, began formulating a plan for the development and distribution of an "interactive television set" that would purportedly integrate a basic computer system (which Gothard referred to as the "Works in a Box") and internet connection with a television screen or monitor. Using this system, Gothard and ATV intended to provide "on demand" entertainment, computer applications, video games, advertisements, and a variety of other content to consumers. At the time, no such technology had actually been developed or tested by ATV, but was merely a concept for a future technology that it hoped to eventually bring to market.
- 31. In or about 2008 and 2009, ATV began making presentations to a few select businesses and investors using the name "Activision," "ActivisionTV," or "Activision.tv," at times falsely representing that it possessed a registered trademark for the term ACTIVISION for interactive television services.

  Additionally, in or about 2009, ATV registered the domain name <a href="https://www.activision.tv">www.activision.tv</a> and launched a website. In these presentations and on its website, ATV touted a product (sometimes referred to as the "Activision System" or "Activision Solution") that would be used as an all-in-one content delivery system in hotels. Specifically, ATV's proposed and advertised system would allow hotel guests to receive a variety of in-room digital services, including "on demand" transmission of movies, television programs, and video games, as well as certain computer functions such as word processing. ATV proposed that these services would be charged to a guest's hotel bill and the corresponding revenue would be shared between ATV and the hotel. However, ATV's system was never installed in any hotel or other establishment and Activision is informed and

- 32. In or about 2009, Activision became aware of the existence of ATV and that ATV intended to provide computer and interactive television services, including video game transmission services, using the "Activision" name. On April 9, 2010, Activision sent ATV a letter demanding that ATV cease and desist from any use of the Activision name or mark. ATV refused to do so.
- 33. Notwithstanding that ATV had never sold or distributed an interactive television product bearing the ACTIVISION mark, in 2009 ATV filed the first of three (to become four after one of the applications was severed) trademark applications (the "Applications") for the mark ACTIVISION.TV or a related design mark incorporating the words "ACTIVISION.TV" (the "ATV Marks"). The Applications sought registration of the various ATV Marks for dozens of goods and services, including computers, television sets, broadcasting equipment, digital display screens, computer servers and components, and digital broadcasting, and narrowcasting services. At the time the Applications were filed, ATV had never sold, leased, or distributed any of the products identified in the Applications using the ACTIVISION TV name. Nor had it ever provided any broadcasting or narrowcasting services or transmissions under the ACTIVISION TV name (or any other name).
- 34. On June 30, 2010, July 28, 2010, September 22, 2010, and March 3, 2011, Activision filed Notices of Opposition to each of ATV's four trademark Applications. The four Oppositions have been consolidated for trial purposes, and have been ongoing before the Trademark Trial and Appeal Board ("TTAB"). The testimony period currently is scheduled to begin on November 18, 2012.
- 35. Recently, and subsequent to filing its Notices of Opposition, Activision learned of continuing and, indeed, escalating infringement by ATV of

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the ACTIVISION Marks. By way of example, Activision recently has learned that in 2010 ATV, Gothard, and other representatives of Defendants have used the ACTIVISION name at trade shows dedicated to home electronics and multimedia entertainment, such as the Consumer Electronics Show in Las Vegas. ATV has sponsored sporting events, including an event where the ACTIVISION TV logo was placed on a race car. In 2010 and 2011 ATV, Gothard, and other representatives of Defendants made presentations and proposals to more than a dozen investor groups, hotel chains, satellite television providers, and retail stores (including retail stores where Activision games are sold) using the ACTIVISION TV and ACTIVISION Marks interchangeably. Most recently, ATV filed a series of patent lawsuits in which it refers to itself as "Activision." Activision is informed and believes, and on that basis avers, that in connection with these activities ATV did not attempt to distinguish itself from Activision or dispel any confusion and, to the contrary, fostered marketplace confusion.

36. Additionally, in 2011, ATV began installing television sets and computer systems in two hotels. In each of these hotels, ATV has placed a sticker bearing the "Activision TV" name on or in close proximity to the television set. Additionally, ATV intends to soon begin offering in-room entertainment and internet services to guests at these hotels. These services will include the ability to play online, browser-based, or social networking video games. When it offers these services, the word "Activision TV" will be displayed prominently on the television display, including on screens where movies, television programs, internet browser access, and other computer services can be ordered and paid for. ATV also intends to eventually offer its products and services directly to consumers, and to include in its products and services the ability to receive and play video games, including games published by Activision and its affiliates.

- 37. ATV's "Activision TV" mark is visually and aurally similar (indeed, it is nearly identical) to Activision's ACTIVISION marks. In fact, Activision's ACTIVISION logo incorporates the word "TV." The parties' respective marks also are used for the same categories and classes of goods, are used in the same relevant market, and thus create the same commercial impression in the marketplace. Moreover, Activision and its products are generally associated in the minds of the public with television sets and displays, because video games typically are played on television sets.
- 38. Activision has never authorized ATV to use any of its ACTIVISION Marks or any confusingly similar mark.
- 39. ATV's unauthorized use of the confusingly similar words "Activision" "Activision Systems" and "Activision.tv" in connection with its products are likely to confuse, to cause mistake, or to deceive consumers. Members of the public and the relevant trade also are likely to believe that Activision is the source of, has endorsed or approved, or is somehow otherwise legitimately associated with ATV and its products.
- 40. Activision is informed and believes, and on that basis avers, that in adopting and using the ACTIVISION TV mark, ATV intended to appropriate and trade off Activision's goodwill and the fame of its ACTIVISION marks. For example, in 2009, ATV's own public relations firm actively sought ways to "capitalize" on the similarity between the Activision TV name and the ACTIVISION Marks, including by embedding within the Activision TV website hidden "metatags" for the word "gaming" or by offering Activision's own games on its system. Indeed, ATV's own website advertises that the Activision TV inroom entertainment system allows users to play the highly popular game World of Warcraft® ,published by Activision's affiliate, Blizzard Entertainment, Inc.

### FIRST CLAIM FOR RELIEF

#### FEDERAL TRADEMARK INFRINGEMENT

(15 U.S.C. § 1114)

- 41. Activision incorporates herein by reference the averments of paragraphs 1 through 40 as though fully set forth herein.
- 42. Activision is the owner of all right, title, and interest in the ACTIVISION marks and has standing to maintain an action for trademark infringement under 15 U.S.C. § 1114.
- 43. With actual and constructive notice of Activision's federal trademark registrations and of Activision's extensive and continuous use of the ACTIVISION Marks, Defendants have used, and are continuing to use, the confusingly similar marks "Activision TV," "Activision.tv," "Activision," "Activision Systems," and "Activision Solution" (the "Infringing Marks") in the United States upon goods and services identical to, or similar to, the goods and services in connection with which Activision uses its ACTIVISION marks.
- 44. Defendants' use of the Infringing Marks, including in connection with the promotion, sale, offering for sale, and distribution of interactive television and related products and services is likely to cause, and has in fact caused, confusion, deception, and mistake among consumers. Buyers and persons who see Defendants' products bearing the Infringing Marks will think that they are Activision's products, or are licensed or approved by Activision. This includes initial interest confusion, confusion at the time of sale, and post-sale confusion. In actual fact, Activision does not approve Defendants' use of the Infringing Marks on any of its goods or services, and strongly objects thereto.
- 45. Defendants know that use of the Infringing Marks is infringing, have reason to know that it is infringing, and/or have been recklessly indifferent to the fact that such use was and is infringing.

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- 46. As a result of Defendants' conduct, Activision has suffered loss of profits and other damage, and Defendants have earned illegal profits, in an amount to be proven at trial. Such damages and profits should be trebled in accordance with 15 U.S.C. §1117.
- 47. Defendants' acts have caused or are likely to cause, unless restrained by this Court, Activision and the public to suffer great and irreparable damage and injury through, *inter alia*, (a) a likelihood of confusion, mistake, and deception among the relevant purchasing public and trade as to the source of the Infringing Products; and (b) the loss of Activision's valuable goodwill and business reputation symbolized by its ACTIVISION Marks. Activision has no adequate remedy at law.
- 48. Defendants' continued and knowing use of Activision's marks without its consent or authorization constitutes intentional infringement of Activision's federally registered ACTIVISION Marks in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114, and renders this an "exceptional case" under 15 U.S.C. § 1117(a). Based on such conduct, Activision is entitled to injunctive relief as well as monetary damages, and other remedies provided by Sections 1116, 1117, and 1118, including Defendants' profits, treble damages, reasonable attorneys' fees, costs and prejudgment interest.

# SECOND CLAIM FOR RELIEF

#### **FALSE DESIGNATION OF ORIGIN**

(15 U.S.C. § 1125(a))

- 49. Activision incorporates herein by reference the averments of paragraphs 1 through 48 as though fully set forth herein.
- 50. Activision, as the owner of all common law right, title, and interest in and to the ACTIVISION Marks, has standing to maintain an action for false

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- 51. Defendants have, without authorization, on or in connection with their goods and services, used in commerce marks that are confusingly similar to the ACTIVISION Marks, and/or has made false designations of origin which are likely to cause confusion or cause mistake or to deceive as to the affiliation, connection or association of Defendants with Activision, and/or as to the origin, sponsorship or approval of Defendants' goods or services or commercial activities.
- 52. Activision is informed and believes, and on that basis avers, that the conduct of Defendants has been knowing, deliberate, willful, intended to cause confusion, or to cause mistake or to deceive and in blatant disregard of Activision's rights.
- 53. Defendants knew or by the exercise of reasonable care should have known that the adoption and commencement of use in commerce and continuing use of marks that are confusingly similar to Activision's ACTIVISION Marks would cause confusion, mistake, or deception among purchasers, users and the public.
- 54. Defendants' wrongful conduct has permitted or will permit it to make substantial sales and profits on the strength of Activision's marketing, advertising, sales and consumer recognition. As a direct and proximate result of Defendants' wrongful conduct, as alleged herein, Activision has been deprived and will be deprived of the value of its ACTIVISION Marks as a commercial asset in an amount as yet unknown but to be determined at trial. Activision seeks an accounting of Defendants' profits, and requests that the Court grant Activision three times that amount.
  - 55. Defendants' acts and omissions have caused and, unless restrained by

59. Plaintiff's ACTIVISION Marks are famous. The ACTIVISION Marks are strong and unique, have been used in connection with the products offered by Activision for an extended period of time, have been the subject of

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common law.

66. Upon information and belief, Activision avers it will suffer loss of profits and other damage as a result, in an amount to be proven at trial. On the statutory unfair competition claim, Activision seeks only disgorgement of profits and does not seek damages at law.

#### FIFTH CLAIM FOR RELIEF

#### **CANCELLATION OF U.S. TRADEMARK 2,933,439**

(15 U.S.C. §§ 1064 and 1119)

- 67. Activision incorporates herein by reference the averments of paragraphs 1 through 66 as though fully set forth herein.
- 68. On information and belief, when Gothard and his company Ad Media Displays, Inc. filed the application that matured into Registration No. 2,933,439, it knew its statements and declarations to the USPTO in connection therewith were false. Defendants had the intent to mislead the USPTO and thereby to commit fraud as they were aware that they did not in fact have a bona fide intent to use the ACTIVISION mark in connection with the categories of goods and services for which they sought registration, and, moreover, they never did use the mark in connection with these categories of goods and services. Instead, Defendants submitted a "specimen" that depicted a product that Defendants knew did not exist. Defendants also have admitted that at that time they submitted the 1999 registration and subsequent filings, they were aware of Activision's ACTIVISION marks but believed that they had found a way to appropriate the name for their new business venture.

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- 69. On information and belief, the USPTO relied on the statements of Gothard and Ad Media as set forth above.
- 70. As a result of Gothard and Ad Media's false and fraudulent statements relied on by the USPTO in connection with the above, the Registration is subject to cancellation at any time, and should be cancelled, pursuant to 15 U.S.C. § 1064(3).
- 71. Pursuant to 15 U.S.C. § 1119, this Court has jurisdiction to order the USPTO to cancel the Registration due to Gothard and Ad Media's fraud.

#### SIXTH CLAIM FOR RELIEF

#### **DECLARATORY RELIEF**

(28 U.S.C. § 2201)

- 72. Activision incorporates herein by reference the averments of paragraphs 1 through 71 as though fully set forth herein.
- 73. An actual dispute has arisen and now exists between Activision, on the one part, and Activision TV, Inc., on the other part. Activision contends that Activision TV, Inc. is not entitled to the registration with the United States Patent and Trademark Office of the trademarks that are the subject of Applications Serial Nos. 77/827,404; 77/978,580; 77/912,745 and 85/143756. Activision TV, Inc. disputes Activision's contentions and contends otherwise.
- 74. Activision requests a judicial declaration sustaining its Oppositions Nos. 91195837, 91196584, 91198836 and 91201190, and denying registration of Activision TV, Inc.'s Applications Serial Nos. 77/827,404; 77/978,580; 77/912,745 and 85/143756.
- 75. Such a declaration is necessary and appropriate at this time to avoid a multiplicity of actions, to resolve present and continuing disputes between the parties, and to avoid consumer confusion with regard to the ACTIVISION Marks.

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Mitchell Silberberg & 28 Knupp LLP WHEREFORE, as to all Counts of this Complaint, Plaintiff requests that this Court enter a judgment and declaration in favor of Plaintiff and against Defendants as follows:

- A. Preliminarily and permanently enjoining and restraining Defendants, all entities under their control, as well as their licensees, partners, assigns, related entities, predecessors, successors, employees, representatives, trustees, receivers, agents, and any other persons or entities acting on behalf of Defendants or with Defendants' authority, from:
  - (1) using, selling, offering for sale, holding for sale, advertising or promoting any goods or services under or in connection with any trade name, trademark, service mark, Internet domain name or other designation of origin that is comprised in whole or in part of the ACTIVISION Marks, or any terms, designs or styles confusingly similar thereto; or
  - (2) doing any act or thing that is likely to induce the belief that
    Defendants' goods or services, or activities are in some way connected with
    Plaintiff and/or Plaintiff's business, or that is likely to injure or damage
    Plaintiff or its ACTIVISION Marks; and
  - B. Ordering Defendants to:
  - (1) pay Plaintiff the compensatory damages sustained by Plaintiff as a result of the unlawful acts alleged herein and that such damages be trebled pursuant to 15 U.S.C. § 1117 because of the willful and unlawful acts alleged herein;
  - (2) pay Plaintiff punitive damages as a consequence of the willful and wanton acts alleged herein;
  - (3) account for and pay over to Plaintiff all gains, profits and advantages derived but it from the unlawful acts alleged herein and/or as a result of unjust enrichment;

(4)

deliver up for destruction all materials that bear the

2	ACTIVISION Marks, including without limitation all letterhead, signage,								
3	brochures, labels, stickers, trade show displays and materials, written								
4	4 materials and other promotional materials;								
5	(5) deliver up for destruction all products that infringe on the								
6	ACTIVISION Marks;								
7	(6) reimburse Plaintiff for the costs it has incurred in bringing this								
8	action, together with its reasonable attorneys' fees and disbursements;								
9	(7) pay Plaintiff's costs of corrective advertising;								
10	C. Ordering the cancellation of United States Trademark Registration								
11	No. 2,933,439.								
12	D. Ordering a judicial declaration sustaining its Oppositions Nos.								
13	91195837, 91196584, 91198836 and 91201190, and denying registration of								
14	Activision TV, Inc.'s Applications Serial Nos. 77/827,404; 77/978,580;								
15	77/912,745 and 85/143756.								
16	E. Awarding Plaintiff such other and further relief as this Court may								
17	deem equitable.								
18	Dated: October 17, 2012: MITCHELL SILBERBERG & KNUPP LLP								
19	Dated: October 17, 2012: MITCHELL SILBERBERG & KNUPP LLP KARIN G. PAGNANELLI MARC E. MAYER								
20	ALEXA L. LEWIS								
21									
22	By: Moro F Moyor								
23	Marc E. Mayer Attorneys for Plaintiff Activision Publishing, Inc.								
24	Activision I donsining, inc.								
25									
26									
27 Mitchell									
Silberberg & 28 Knupp LLP	COMPLAINT								
4840291.1/4									

**DEMAND FOR JURY TRIAL** Plaintiff ACTIVISION PUBLISHING, INC. demands a trial by jury of all issues triable of right by jury. MITCHELL SILBERBERG & KNUPP LLP Dated: October 17, 2012: ARIN G. PAGNANELLI MARC E. MAYER ALEXA L. LEWIS Mare F. Mayer Attorneys for Plaintiff Activision Publishing, Inc Silberberg & 28 COMPLAINT

Mitchell

Knupp LLP

4840291.1/40113-00054

# UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

#### NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY

This case has been assigned to District Judge Stephen V. Wilson and the assigned discovery Magistrate Judge is John E. McDermott.

The case number on all documents filed with the Court should read as follows:

CV12- 8964 SVW (JEMx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

#### NOTICE TO COUNSEL

A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).

Subsequent documents must be filed at the following location:

Western Division 312 N. Spring St., Rm. G-8 Los Angeles, CA 90012 Southern Division
411 West Fourth St., Rm. 1-053
Santa Ana, CA 92701-4516

Eastern Division
3470 Twelfth St., Rm. 134
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

I (a) PLAINTIFFS (Check box	if you are representing yourself		CIVIL COVI	DEFENDANTS	نار ب		
I (a) PLAINTIFFS (Check box if you are representing yourself []) ACTIVISION PUBLISHING, INC., a Delaware Corporation			ooration	ACTIVISION TV, INC, a Delaware Corporation; AD MEDIA DISPLAYS, INC., a Wyoming Corporation; DAVID GOTHARD, an individual			
	I to a second Trade who we have the						
yourself, provide same.)	dress and Telephone Number. If y	you are	representing	Attorneys (If Known) Edward K. Welsh	TT		
MARC E. MAYER (S ALEXA L. LEWIS (S	IELLI (SBN 174763) kgp@ SBN 190969) mem@msk.c SBN 235867) all@msk.com BERG & KNUPP LLP Boulevard	com	com	IP&L Solutions 4558 Ashton Cou Naples, FL 34112	rt		
Los Angeles, Californ	iia 90064-1683			·	·		
II. BASIS OF JURISDICTION	(Place an X in one box only.)		III. CITIZEN (Place an 2	SHIP OF PRINCIPA  ( in one box for plainti	L PARTIE	CS - For Diversity Case for defendant.)	es Only
1 U.S. Government Plaintiff	3 Federal Question (U.S. Government Not a Party		Citizen of This	State	PTF D		•
2 U.S. Government Defendant	4 Diversity (Indicate Citize of Parties in Item III)	enship	Citizen of Anot	her State	2	2 Incorporated an of Business in A	d Principal Place 5 5 5 Another State
			Citizen or Subje	ct of a Foreign Countr	y 🔲 3	3 Foreign Nation	□6 □6
IV. ORIGIN (Place an X in one  1 Original 2 Remove Proceeding State C	ed from 3 Remanded from		einstated or	5 Transferred from an	other distri	Dis	alti- 7 Appeal to District strict Judge from igation Magistrate Judge
V. REQUESTED IN COMPLACLASS ACTION under F.R.C.I		s 🔲 N		nly if demanded in cor MONEY DEMANDE		APLAINT: \$	
VI. CAUSE OF ACTION (Cite	the U. S. Civil Statute under which	ch you a	are filing and wr	ite a brief statement of	cause. Do	not cite jurisdictional s	tatutes unless diversity.)
Infringement [15 U.S.C. § Cal. Bus. & Prof. Code § 1							
VII. NATURE OF SUIT (Place		1 Keg	[15 U.S.C. §	g 1004 And 1119]	, Dec Rei	iei [28 O.S.C. § 2	201]
OTHER STATUTES	CONTRACT		TORTS	TORTS		PRISONER	LABOR
400 State Reapportionment 410 Antitrust	110 Insurance	Acres Maria	SONAL INJUR ) Airplane	Y PERSONA PROPERT	1 C 98 1 C 1 C 1 C 1 C 1 C 1 C 1 C 1 C 1 C 1	PETITIONS  1 510 Motions to Vaca	710 Fair Labor Standards
430 Banks and Banking	130 Miller Act		i Airplane Produ	· · · · · · · · · · · · · · · · · · ·	- 1	Sentence Habeas	720 Labor/Mgmt.
450 Commerce/ICC	140 Negotiable Instrument	FT 220	Liability	371 Truth in L  380 Other Per	~ 1	Corpus . 530 General	Relations 730 Labor/Mgmt.
Rates/etc.	150 Recovery of Overpayment &	320	Assault, Libel Slander	Property		535 Death Penalty	Reporting &
470 Racketeer Influenced	Enforcement of	<b>330</b>	Fed. Employer	s' 385 Property I	Damage 🗀	540 Mandamus/	Disclosure Act
and Corrupt	Judgment	a.c	Liability	Product L BANKRUPT		Other	740 Railway Labor Act
Organizations	151 Medicare Act		) Marine 5 Marine Produc	Contraction of the second of t		550 Civil Rights 555 Prison Condition	790 Other Labor Litigation
480 Consumer Credit 490 Cable/Sat TV	152 Recovery of Defaulted Student Loan (Excl.		Liability	158		FORFEITURE /	791 Empl. Ret. Inc.
810 Selective Service	Veterans)	350	) Motor Vehicle	423 Withdraw	al 28	PENALTY	Security Act
850 Securities/Commodities/	☐ 153 Recovery of	355	Motor Vehicle	USC 157		610 Agriculture	PROPERTY RIGHTS
Exchange	Overpayment of Veteran's Benefits	☐ 260	Product Liabil Other Personal		18	620 Other Food &	820 Copyrights 830 Patent
875 Customer Challenge 12	160 Stockholders' Suits	LJ 300	Injury	441 Voting 442 Employm	ent –	Drug	840 Trademark
USC 3410 890 Other Statutory Actions	190 Other Contract	□ 362	Personal Injury	- 443 Housing/		625 Drug Related Seizure of	SOCIAL SECURITY
891 Agricultural Act	195 Contract Product		Med Malpracti	ce mmodatio	- 1	Property 21 USC	□ 61 HIA(1395ff)
892 Economic Stabilization	Liability	☐ 365	Personal Injury			881	862 Black Lung (923)
	☐ 196 Franchise	□ 260	Product Liabil Asbestos Perso	· L TTS / tillottour		630 Liquor Laws	☐ 863 DIWC/DIWW
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Act  893 Environmental Matters  894 Energy Allocation Act  895 Freedom of Info. Act  900 Appeal of Fee Determination Under Equal Access to Justice  950 Constitutionality of State	☐ 210 Land Condemnation☐ 220 Foreclosure☐ 230 Rent Lease & Ejectment☐ 240 Torts to Land☐ 245 Tort Product Liability	IM 462	Liability  MIGRATION  Naturalization Application Habeas Corpus	446 American Disabilitie Other 440 Other Civ Rights	with ====================================	660 Occupational Safety /Health	☐ 865 RSI (405(g)) FEDERAL TAX SUITS ☐ 870 Taxes (U.S. Plaintiff or Defendant) ☐ 871 IRS-Third Party 26
Act  893 Environmental Matters  894 Energy Allocation Act  895 Freedom of Info. Act  900 Appeal of Fee Determination Under Equal Access to Justice	☐ 210 Land Condemnation☐ 220 Foreclosure☐ 230 Rent Lease & Ejectment☐ 240 Torts to Land☐ 245 Tort Product Liability	IM ☐ 462 ☐ 463	Liability  MIGRATION  Naturalization  Application	☐ 446 American Disabilitie Other ☐ 440 Other Civ Rights	with ====================================	660 Occupational Safety /Health	☐ 865 RSI (405(g)) FEDERAL TAX SUITS ☐ 870 Taxes (U.S. Plaintiff or Defendant)
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CV-71 (05/08)

#### Case 2:12-cv-0996406W-JEW VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? No Yes If yes, list case number(s): VIII(b). RELATED CASES: Have any cases been previously filed in his court that are related to the present case? No Yes If yes, list case number(s): Civil cases are deemed related if a previously filed case and the present case: (Check all boxes that apply) \( \sum\_{A}\) A. Arise from the same or closely related transactions, happenings, or events; or B. Call for determination of the same or substantially related or similar questions of law and fact; or C. For other reasons would entail substantial duplication of labor if heard by different judges; or D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present. IX. VENUE: (When completing the following information, use an additional sheet if necessary.) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named plaintiff resides. Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b). California County outside of this District; State, if other than California; or Foreign Country County in this District:\* Los Angeles County (b) List the County in this District; California County outside of this District; State if other than California, or Foreign Country, in which EACH named defendant resides. Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c). California County outside of this District; State, if other than California; or Foreign Country County in this District:\* Naples, Florida List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH claim arose. Note: In land condemnation cases, use the location of the tract of land involved. California County outside of this District; State, if other than California; or Foreign Country County in this District:\* Los Angeles County \* Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties Note: In land condemnation cases, use the location of the tract of land involved Date October 17, 2012 X. SIGNATURE OF ATTORNEY (OR PRO PER): Marc'É. Maye Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3 -1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.) Key to Statistical codes relating to Social Security Cases: Substantive Statement of Cause of Action Abbreviation Nature of Suit Code All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the HIA 861 program. (42 U.S.C. 1935FF(b)) All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. BL 862 (30 U.S.C. 923) All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g)) DIWC 863 All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security DIWW 863 Act, as amended. (42 U.S.C. 405(g)) All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security SSID 864

All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42

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U.S.C. (g))